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Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference

Draft resolution submitted by the Vice-Chairperson of the Committee, Carlos Enrique García González (El Salvador), on the basis of informal consultations on draft resolution A/C.2/64/L.43

Follow-up to and implementation of the Monterrey Consensus and the outcome of the 2008 Review Conference (Doha Declaration on Financing for Development)

The General Assembly,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008, and its resolutions 56/210 B of 9 July 2002, 57/250 of 20 December 2002, 57/270 B of 23 June 2003, 57/272 and 57/273 of 20 December 2002, 58/230 of 23 December 2003, 59/225 of 22 December 2004, 60/188 of 22 December 2005, 61/191 of 20 December 2006, 62/187 of 19 December 2007 and 63/239 of 24 December 2008, as well as Economic and Social Council resolutions 2002/34 of 26 July 2002, 2003/47 of 24 July 2003, 2004/64 of 16 September 2004, 2006/45 of 28 July 2006, 2007/30 of 27 July 2007 and 2008/14 of 24 July 2008,

Recalling also the 2005 World Summit Outcome,[1]

Recalling further the Outcome of the Conference on the World Financial and Economic Crisis and Its Impact on Development,[2] and underlining the need for the expeditious implementation and follow-up of the Outcome,

[1] See resolution 60/1.
[2] Resolution 63/303, annex.

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Taking note of Economic and Social Council resolution 2009/30 of 31 July 2009 regarding the strengthening of the intergovernmental process for carrying out the financing for development follow-up,

Taking note also of the Secretary-General's reports on the follow-up to and implementation of the Monterrey Consensus and Doha Declaration on Financing for Development,[3] and on innovative sources of development finance,[4]

Taking note further of the reports of the Secretary-General on the follow-up to and implementation of the outcome of the International Conference on Financing for Development and on the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus,

Taking note of the special High-level Meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 27 April 2009,

Reaffirming the Monterrey Consensus in its entirety, its integrity and its holistic approach, recalling the resolve to take concrete action to implement the Monterrey Consensus and address the challenges of financing for development in the spirit of global partnership and solidarity in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals, and also recommitting to staying fully engaged, nationally, regionally and internationally, to ensure proper and effective follow-up to and implementation of the Monterrey Consensus,

Reaffirming also that each country must take primary responsibility for its own development and that the role of national policies and development strategies cannot be overemphasized for the achievement of sustainable development, and recognizing that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership strategies and sovereignty,

Recalling the importance of the overall commitment to just and democratic societies for development as spelled out in the Monterrey Consensus,

Deeply concerned by the adverse impacts of the global financial and economic crisis on development, including the capacity of developing countries to mobilize resources for development, and recognizing that an effective response to the current crisis requires timely implementation of existing aid commitments,

Emphasizing that the financial and economic crisis has demonstrated the need for more effective government involvement to ensure an appropriate balance between the market and public interest, and recognizing the need to better regulate financial markets,

1. *Welcomes* the holding of the Doha Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, which provided an opportunity to assess progress made, reaffirm goals and commitments, share best practices and lessons learned and identify obstacles

[3] A/64/322.

[4] A/64/189 and Corr.1.

and constraints encountered, actions and initiatives to overcome them and important measures for further implementation, as well as new challenges and emerging issues, in the financing for development process;

2. *Stresses* that each country has primary responsibility for its own economic and social development, and that the role of national policies, domestic resources and development strategies cannot be overemphasized, and reaffirms the importance of:

(a) The implementation of the commitment to sound policies, good governance at all levels and the rule of law;

(b) The implementation of the commitment to create an enabling environment for mobilizing domestic resources and of sound economic policies;

(c) The implementation of the commitment to enhance the coherence and consistency of international monetary, financial and trading systems in order to complement national development efforts;

3. *Recognizes* that a dynamic, inclusive, well-functioning and socially responsible private sector is a valuable instrument for generating economic growth and reducing poverty, emphasizes the need to pursue appropriate policy and regulatory frameworks at respective national levels and in a manner consistent with national laws to encourage public and private initiatives, including at the local level, and to foster a dynamic and well-functioning business sector, while improving income growth and distribution, raising productivity, empowering women and protecting labour rights and the environment, and reiterates the importance of ensuring that the benefits of growth reach all people by empowering individuals and communities;

4. *Reiterates* the importance of investment in human capital, inter alia, health and education, through inclusive social policies, in accordance with national strategies and priorities;

5. *Recalls* that the ongoing fight against corruption at all levels is a priority, and reaffirms the need to take urgent and decisive steps to continue to combat corruption in all of its manifestations in order to reduce obstacles to effective resource mobilization and allocation and avoid the diversion of resources away from activities that are vital for development, recalls further that this requires strong institutions at all levels, including, in particular, effective legal and judicial systems and enhanced transparency, recognizes the efforts and achievements of developing countries in this regard, takes note of the increased commitment of States that have already ratified or acceded to the United Nations Convention against Corruption, and, in this regard, urges all States that have not yet done so to consider ratifying or acceding to the Convention;

6. *Recalls* the resolve of Member States to continue to undertake fiscal reforms, including tax reform, which is key to enhancing macroeconomic policies and mobilizing domestic public resources, recalls, while each country is responsible for its tax system, the importance of providing to support national efforts in those areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters, including in the area of double taxation, and stresses that inclusive and cooperative frameworks should ensure the involvement and equal treatment of all jurisdictions;

7. *Notes* that, while foreign direct investment is a major source of financing for development, the flow of such funds to developing countries and countries with economies in transition has fallen rapidly during the crisis and remains uneven, and, in this regard, calls upon developed countries to continue to devise source-country measures to encourage and facilitate the flow of foreign direct investment, inter alia, through the provision of export credits and other lending instruments, risk guarantees and business development services, calls upon developing countries and countries with economies in transition to continue their efforts to create a conducive domestic environment for attracting investments by, inter alia, achieving a transparent, stable and predictable investment climate with proper contract enforcement and respect for property rights, and stresses the importance of enhancing efforts to mobilize investment from all sources in human resources and physical, environmental, institutional and social infrastructure;

8. *Reaffirms* that international trade is an engine for development and sustained economic growth and the critical role that a universal, rule-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization can play in stimulating economic growth and development worldwide, benefiting all countries at all stages of development;

9. *Stresses* the essential role that official development assistance plays in complementing, leveraging and sustaining financing for development in developing countries and in facilitating the achievement of development objectives, including the internationally agreed development goals, in particular the Millennium Development Goals; reiterates that official development assistance can play a catalytic role in assisting developing countries in removing constraints to sustained, inclusive and equitable growth, such as enhancing social, institutional and physical infrastructure, promoting foreign direct investment, trade and technological innovations, improving health and education, fostering gender equality, preserving the environment and eradicating poverty, and welcomes steps to improve the effectiveness and quality of aid based on the fundamental principles of national ownership, alignment, harmonization, managing for results and mutual accountability;

10. *Underlines* that the fulfilment of all official development assistance commitments is crucial, including the commitments by many developed countries to achieve the target of 0.7 per cent of gross national product (GNP) for official development assistance by 2015 and to reach a level of at least 0.5 per cent of GNP for official development assistance by 2010, as well as a target of 0.15 per cent to 0.20 per cent of GNP for official development assistance to least developed countries, and urges developed countries that have not yet done so to fulfil their commitments of official development assistance to developing countries;

11. *Encourages* donors to work on national timetables, by the end of 2010, to increase aid levels within their respective budget allocation processes towards achieving the established official development assistance targets;

12. *Underlines* the important role of the United Nations development system in advancing development and in protecting development gains in accordance with national strategies and priorities, including progress towards achieving the internationally agreed development goals, including the Millennium Development Goals, threatened by the current economic crisis, reiterates that the United Nations should use the current economic situation as an opportunity to redouble its efforts to improve the efficiency and effectiveness of its development programmes, urges

donor countries and other countries in a position to do so to substantially increase voluntary contributions to the core/regular budgets of the United Nations development system and to contribute on a multi-year basis, in a sustained and predictable manner, and notes that non-core resources represent an important supplement to the regular resource base of the United Nations development system;

13. *Recognizes* the potential of various voluntary innovative sources of financing to supplement traditional sources of financing, stresses that those funds should be disbursed in accordance with the priorities of developing countries and not unduly burden them, and encourages the Secretary-General to organize an informal event in 2010, within existing resources, on the potential of voluntary innovative sources of development finance;

14. *Notes* the overall increase in the level of official development assistance in 2008 and that a significant part of aid flows after 2002 have comprised debt relief and humanitarian assistance;

15. *Emphasizes* the great importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries since debt financing and relief can be an important source of capital for economic growth and development, and also emphasizes that creditors and debtors must share responsibilities for preventing unsustainable debt situations;

16. *Recognizes* that recent special drawing rights allocations helped increase global liquidity in response to the global financial and economic crisis;

17. *Reaffirms* the need for a strengthened and more effective intergovernmental inclusive process to carry out the financing for development follow-up and to review progress in the implementation of commitments, identify obstacles, challenges and emerging issues and propose concrete recommendations and actions;

18. *Endorses* in this regard the recommendations by the Economic and Social Council as contained in its resolution 2009/30 of 31 July 2009;

19. *Affirms* the need to give more prominence to its annual agenda item entitled "Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference", and, in this regard, reiterates the need to review the modalities for the financing for development follow-up process, as appropriate;

20. *Recalls* the decision to consider the need to hold a follow-up financing for development conference by 2013;

21. *Decides* to include in the provisional agenda of its sixty-fifth session the item entitled "Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference", and requests the Secretary-General to submit under that item an annual analytical assessment of the state of the implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development[5] and of the present resolution, to be prepared in full collaboration with the major institutional stakeholders that includes concrete proposals on the further strengthening of the financing for development follow-up process for consideration by Member States.

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[5] Resolution 63/239, annex.